



Greater Cincinnati Water Works

C O N F I D E N C E

2003
ANNUAL REPORT



City Council Members

Charlie Luken, Mayor
Alicia Reece, Vice Mayor

Y. Laketa Cole
Minette Cooper*
John Cranley
David Crowley
Pat DeWine
Sam Malone*
Chris Monzel*
David Pepper
Christopher Smitherman*
James R. Tarbell

*During 2003, Sam Malone and Christopher Smitherman were elected to Council. Minette Cooper and Chris Monzel left Council.

City Manager

Valerie A. Lemmie

*City of Cincinnati is an Equal
Opportunity/Affirmative Action Employer*



“ The City of Cincinnati...has one of
the most sophisticated drinking water
treatment systems in the world.”

Cincinnati Enquirer, February 25, 2003

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David E. Rager, Director

Senior Management

Steven C. Hellman, CPA, Business Services Division
William Knecht, Retired 2003

Connie Roesch, Commercial Services Division

Frederick G. Merz, P.E., Distribution Division

Paul E. Tomes, P.E., Engineering Division

Albin J. Brune, P.E., Supply Division

Jack DeMarco, Water Quality and Treatment Division

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Our Vision

Greater Cincinnati Water Works will be
the standard for excellence
in the water utility industry.

Our Mission

To provide our customers with a plentiful supply
of the highest quality water and outstanding
services in a financially responsible manner.

Our Values

Above all, the Greater Cincinnati Water Works
values our customers; they are the sole reason we
exist. Anticipating and exceeding their expecta-
tions guides our strategic planning, drives our deci-
sion making process, and prioritizes our actions.

To that end, we recognize that successful
customer relationships directly depend on our
employees. The people who work here are the
Greater Cincinnati Water Works, and we value their
loyalty, contributions, accomplishments, and their
dedication to our customers. Greater Cincinnati
Water Works employees, in turn, commit them-
selves to the following values that will enable us to
realize our vision - to be the standard of
excellence in the water utility industry.

Quality Drinking Water
Involvement in the Community
Innovation and Creativity
Integrity and Professionalism
The Environment
Efficiency and Cost Effectiveness

GCWW has improved on nature — providing an uninterrupted flow of clean, high quality drinking water.



water



The ability to provide a clean, safe supply of drinking water is critical to the success of a metropolitan area. Water supports the vitality of home life and commerce.

This is as true now as it was throughout the history of civilization. Archeologists regard the aqueducts of ancient Rome as key to the longevity of that civilization.

Closer to home, Greater Cincinnati Water Works treats and distributes an average of 133 million gallons of water each day to communities throughout the area. Built on a solid financial foundation and operating a well-maintained treatment and distribution system, GCWW is a resource for stability in our own community.

In the 2003 Summary of Annual Operations, we present a glimpse of the accomplishments for the year.

The average daily quantity of water delivered in 2003 was over 133 million gallons.

Total cooperation among GCWW's highly skilled people is the lubricant in our reliable water delivery machine.



teamwork

In order to maintain our high level of customer satisfaction, Greater Cincinnati Water Works provides an environment that fosters creativity and allows for flexibility within our workforce. These positive conditions promote teamwork. Behind the scenes employees work together to solve problems, respond to requests, and generally make things happen.

Employees continually improve telephone and computerized systems such as work order and document imaging to expedite responses to customer inquiries.

Testing Our Cooperative Spirit

Emergencies and adverse weather conditions result in an unusual number of service-related telephone calls. Customer relations representatives work weekends or overtime when necessary, answering telephones and assisting the dispatchers.

In one frigid, twenty-three day period beginning in mid-January, repair teams were dispatched to 499 leaks and emergency repairs. Repair crews were called upon to work 12-hour shifts and existing relationships allowed management to deploy outside contractors as needed. One of these repairs was to the 36 inch main on Queen City Avenue. Experienced GCWW employees were able to establish water reserves in a timely manner. Without this, the Harrison Road Pumping Station would have been idled and customers' service interrupted during repairs to the large main.

As these situations demonstrate, teamwork can take the form of shared experience, working overtime and establishing relationships. Overall, employees at Greater Cincinnati Water Works work together to best serve the needs of our customers.



Getting the Job Done

We consider career development an investment in our future. In order to meet upcoming challenges in our industry, in 2003 our employees attended a total of 26,342 hours of training, an average of 42 hours for each employee. New supervisors even took part in a teambuilding training camp. There, they learned how to encourage the sharing of ideas.

Each employee must get the job done for us all to succeed.

We provide our customers with a plentiful supply of the highest quality water and outstanding customer service in a financially responsible manner.



great customer relations

What is Good Customer Service?

Responsiveness. Timely resolution. Water customers request new services, report leaks, inquire about service interruptions or voice water quality concerns. Billing questions from our customers tend to generate the majority of calls.

Our call center is able to determine how to best resolve a customer's concerns quickly and effectively. This year our staff handled more calls than in prior years with an overall increase in quality of service and no additional personnel. An automated feature of our telephone system, the Interactive Voice Response (IVR), attended to 40% of customers' calls. The IVR bill payment feature resulted in a 28% increase in credit card payments.

Service doesn't stop there. When a customer's call demands a more technical solution or an on-site repair, an elaborate network of skilled staff is ready to respond.

H2O Radio Launched

One of the largest customer service initiatives in the history of Greater Cincinnati Water Works began in June, 2003. H2O Radio, the most accurate meter reading system ever, will allow us to read water meters without the need for house calls. All homes and businesses that currently have GCWW water meters will have H2O Radio installed by the end of 2007. A contractor for GCWW is installing 235,000 units at a rate of 200 installations per day. This project will pay for itself over the next eight years through efficiency and operational savings while improving customer service. No employees will be laid off as a result of this new technology.



Meter Reading the H2O Radio Way

H2O Radio is a meter reading system that sends a low-powered radio signal from a unit connected to your water meter. GCWW employees will drive computer-equipped vehicles throughout the community to automatically read the meters accurately and conveniently.

Computer program updates result in better customer service and lower costs to provide service.



***Greater Cincinnati Water Works analyzes
more than 300 water samples each day.***

water **quality & delivery**

from the source to your tap

What could be more convenient than drawing a drink of water from the tap? No instructions are required. After all, it is 100% water isn't it? Not quite so simple, but it is great to have such confidence in GCWW.

Our Safe Drinking Water Report is mailed to GCWW customers each year. The same report appears on our web site www.cincinnati-oh.gov/gcww. The report is our way of informing consumers that our drinking water meets or exceeds the safe drinking water health standards established by the USEPA.

GCWW is vigilant in protecting the water supply. We test the water more than 300 times each day. Cincinnati water is largely drawn from the Ohio River and pumped through the Richard Miller Plant. The Ohio River Valley Water Sanitation Commission (ORSANCO), with thirteen monitoring stations along the Ohio River, provides a coordinated early warning detection system and notifies water utilities of spills or contamination upstream. This is the only system of its kind in the United States.

The Miller Treatment Plant on the Ohio River utilizes the granular activated carbon (GAC) treatment process. This is considered the best way to remove organic materials from drinking water. The water requires two-thirds less chlorine than water treated without GAC.

Another source of water is the Great Miami Aquifer, which supplies water to the Charles M. Bolton Plant near Fairfield, Ohio. GCWW has worked hard as a member of the Hamilton to New Baltimore Consortium to develop an award-winning program to protect the aquifer. Another source, the Shaker Creek Aquifer, serves the North Service Area of the City of Mason.



GAC Reactivation Furnace

As environmental regulations become more stringent, GCWW is leading the way to improve each step in the process, including the delivery of water. Our organization has been recognized for developing computer modeling that is reliable in simulating the effects of seasonal demand, temperature, corrosion, pressure and other variables on drinking water.

This year, 62 miles of new water mains were installed.



Our water rates are still among the lowest in the region.

stewardship

Over the years GCWW has made significant investments in our physical plant and our employees. We are entrusted to preserve and operate this elaborate system to meet our community's need for safe and affordable drinking water.

In 2003, independent rating agencies reviewed the financial statements and operations of GCWW and then rendered an opinion on our ability to "service" our debt. Moody's issued a rating of Aa2 and Standard and Poor's a rating of AA+. Such high ratings acknowledge GCWW as an exemplary organization.

Financial strength is enhanced through operational efficiency and cost controls. Electric service rates increased 3.6% but we held our increased cost to just 2.3% by shifting more work to off-peak hours, thus managing our electric demand more efficiently. Our water rates are still among the lowest in the region.



A utility in the water industry faces many fixed costs as well as the increasing cost of regulatory compliance. A strategy of growth has allowed us to spread these costs over a larger customer base. Significant expansion of water delivery became a reality in March as GCWW began pumping water to the Boone County Water District and the City of Florence, Kentucky.

As an additional means of offsetting fixed costs and compliance costs, GCWW is marketing services in addition to water supply. We have expanded fire hydrant service to include Lincoln Heights. Billing services now include Mason, Amberley Village and Silverton, Ohio. We have also established water testing and laboratory services with Boone County and Florence, Kentucky.

The size of our system and the depth of our ability give us economies of scale, unmatched by many other local water utilities.

Standard and Poor's AA+ rating on Cincinnati, Ohio's \$112.360 million series 2003 water system revenue bonds reflects the system's:

- Large service area with a diverse customer base;
- Good management, leading to ongoing community support for needed rate increases; and
- Good finances with strong liquidity.

Community partners continually seek our assistance in meeting their long-term needs for water.

The high quality water your children's children will drink represents our greatest legacy.



planning

We have a well-maintained distribution system with ample capacity supported by teams of confident knowledgeable people. Our employees apply their knowledge, explore methods to increase the sensitivity of testing and then share the results with the community of water treatment professionals.

We lead the regional planning process, participating in regional studies by expert hydrologists and contributing articles and presentations to regional water planning conferences. Planning for the future includes protecting our water resources. The Ohio River is a major source of drinking water for GCWW customers and many others.

With a history of leadership in water treatment research, GCWW, in collaboration with Malcom Pirnie, Inc., Duke University and the University of North Carolina, Chapel Hill, conducted a study in 2003 that focused on concerns about the long-term quality of the Ohio River water supply titled

“Strategic Planning for Disinfection Study.” A key issue facing the water utility industry is the effectiveness of using ultraviolet (UV) treatment in conjunction with chlorine and physical barriers to treat drinking water. This study, which focused on reducing waterborne diseases, is expected to assist not just GCWW, but other water utility managers and design engineers to make informed decisions about the operation and effectiveness of UV disinfection systems.

The physical safety of our pumping and treatment plants and distribution system is bolstered by increased security technology. Water testing and monitoring provides for the safety of the finished water as it leaves our plant and throughout our distribution system.

Planning that is relevant to our regional partners, team building efforts and farsighted leadership help ensure continued progress in preserving our precious resources for those who follow us.



Framework for Our Future

To provide a framework for managing change while staying focused on major goals, GCWW developed a Strategic Business Plan. During 2003, GCWW developed teams and action plans to accomplish updated strategies. A new strategy reporting system is posted on the GCWW intranet to keep employees informed of progress.

With a foundation that is bedrock solid, we are able to meet the challenges faced by our developing community.

GCWW actively participates in programs that educate children about the water they drink.



citizen_{ship}

As a vital part of Greater Cincinnati's infrastructure, we are charged with responsibilities that affect our quality of life every day. *Professionals at work, citizens at heart* characterizes our culture. We strive to improve the quality of our organization and the water we produce for the community we serve.

Each year a number of our team projects receive recognition. In 2003, one such project involved the creation of a computerized model of the dynamics of water quality which was proven to have positive implications for safety planning. A group of internationally renowned authors, including GCWW personnel, have included the model in a new handbook on water security. Another project resulted in a more efficient carbon reactivation process that saved \$321,000 while maintaining water quality. In addition GCWW, in conjunction with the American Water Works Association, has demonstrated how the integration

of work records, flow, storage, and water main conditions can help us comply with increasingly stringent safe drinking water requirements. Our AutoDialer project saved more than \$65,000 annually, one of many projects which have provided benefits to our customers and others in the water utility industry.

Water for People

Greater Cincinnati Water Works continues to be a leader among North American utilities in its support of Water for People, the charity of choice for the American Water Works Association (AWWA). Water for People is an international humanitarian, nonprofit organization that works throughout the world in communities that lack access to drinking water, adequate sanitation and hygiene education. During 2003, GCWW employees raised \$3000 for Water for People projects in Honduras.



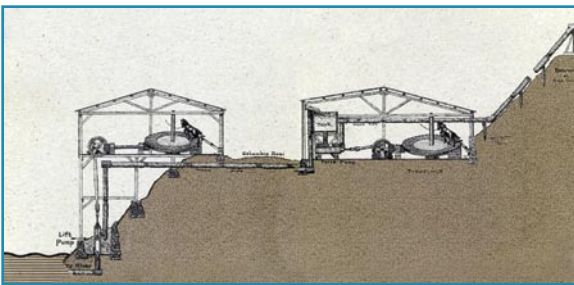
Putting Our Best Cup Forward! Reaching out to our community, our employees volunteer at many local events. Our largest undertaking involved connecting a flotilla of 18 paddle-wheelers to a fresh supply of drinking water. Tall Stacks begins with the installation of nearly a mile of water pipe. Employees quench festival-goers' thirst with cups of **H₂O-to-Go** and information about our state-of-the-art water treatment system. In addition to Tall Stacks, GCWW employees participate in a variety of events and fund-raisers each year. We are proud of our community and of the vital role we play in its health and development.

Our employees are recognized by their peers nationally. They are often called upon by water companies for their knowledge and experience in order to improve their service and technology.



OHIO's First Publicly Owned Water System

In 1817, an ordinance granted Cincinnati Manufacturing Company the exclusive privilege of constructing a Water Works and supplying water to the people of Cincinnati. The rights were later transferred to Samuel W. Davies who directed the completion of Cincinnati's first Water Works in 1821.



This early Water Works pumping station was constructed of wood and operated by horses and oxen on a circular treadmill. It was located near what is now Eggleston Avenue.

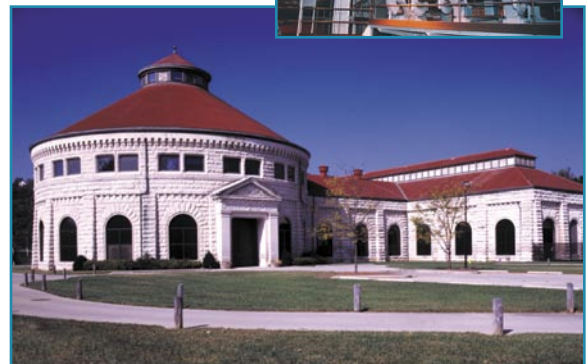
The City recognized the importance of water supply as a basic need. And with the help of the Ohio State Legislature and support of local residents, it assumed control of the system on June 25, 1839. It became the first publicly owned water system in Ohio at a time when the concept of a public water supply was in its infancy.



1865-1907 - The Front Street Pumping Station replaced earlier GCWW facilities on the Ohio River. In 2003, GCWW employees in historical costume unveiled the historical marker at the remains of the station, now part of Sawyer Point Riverfront Park. The marker was sponsored by the Ohio Bicentennial Commission. (See photos, back cover)

The system provided an average of 1,080,000 gallons of raw Ohio River water each day to approximately 45,000 people, using two steam pumps, 3-1/2 miles of iron pipe and 19 miles of wooden pipe. Many people were getting water by carrying it from public pen stocks located throughout the city.

By 1908, GCWW completed its new rapid sand filtration plant, the brainchild of noted water treatment scientist George Fuller. The new technology resulted in a 90% decrease in typhoid cases after 1908. It was only the second plant of its kind in the U.S. and still serves as a mainstay of water filtration technology.



Inside photo of River Station along the Ohio River. River Station began operation in 1907 feeding a new state-of-the-art sand filtration plant. By 1910, chlorine was being added to disinfect the water supply.

In 1992, GCWW once again led the way introducing granular activated carbon (GAC) to remove organics. Significantly, the carbon is then reactivated in a special furnace and reused, keeping water rates at affordable levels.

Today the Greater Cincinnati Water Works remains a municipally owned and operated utility. GCWW now supplies approximately 48 billion gallons of water a year through 3,000 miles of water main to over 235,000 residential and commercial accounts representing more than 900,000 consumers in the Greater Cincinnati area.



Water

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GreatResults

General Operational Data

Ohio River Service Area

The Richard Miller Treatment Plant treats surface water pumped from the Ohio River. The Miller Plant supplies drinking water to 88% of GCWW's customers, including most of the City of Cincinnati. The Miller Plant is located on the Ohio River.

Miller Plant

Great Miami Aquifer Service Area

The Charles M. Bolton Treatment Plant treats groundwater from wells in the Great Miami Aquifer. An aquifer is a layer of sand and gravel under the earth's surface. Water fills the spaces between the rocks. The Bolton Plant supplies drinking water to 11% of GCWW's customers.

Bolton Plant

Shaker Creek Aquifer Service Area

The Mason Treatment Plant treats groundwater from the Shaker Creek Aquifer. The Mason Plant supplies drinking water to the northern half of the City of Mason. GCWW assumed operation of the Mason Water System in March, 2002.

Mason Plant

Raw Water Pumped	43,072,134,000 Gallons	5,891,249,000 Gallons	610,478,000 Gallons
Finished Water Delivered for Consumption	42,351,429,000 Gallons	5,650,166,000 Gallons	572,468,000 Gallons
Filtered Water Used in Washing Filters	852,744,000 Gallons	36,931,000 Gallons	38,010,000 Gallons
Percent Used - Average	2.0%	0.6%	6.3%
Percent Used - Maximum Month	(October) 3.5%	(April) 0.8%	
Percent Used - Minimum Month	(March) 1.0%	(November) 0.6%	
Total Number of Filter Washes	4,353	234	725
Maximum Month	(October) 651	(April) 23	(August) 73
Minimum Month	(March) 205	(November) 13	(April) 35
Period of Filter Service, Average Hours			
Maximum Month	(April) 83.5 Hours		
Minimum Month	(October) 27.7 Hours		
Average per Filter Run	46.5 Hours	160 Hours	84.5 Hours
Finished Water Delivered for Consumption	42,351,429,000 Gallons	5,650,166,000 Gallons	572,468,000 Gallons
Average Day	116,031,000 Gallons	15,480,000 Gallons	1,568,000 Gallons
Maximum - Gallons per Day	(July 4) 179,574,000 Gallons	(July 4) 25,681,000 Gallons	(July 2) 3,004,000 Gallons
Minimum - Gallons per Day	(February 26) 82,037,000 Gallons	(November 28) 13,774,000 Gallons	(December 27) 363,000 Gallons
Maximum Month	(July) 4,108,486,000 Gallons	(July) 516,444,000 Gallons	(July) 60,460,000 Gallons
Average Day/Maximum Month	132,531,806 Gallons	16,660,000 Gallons	1,950,000 Gallons
Minimum Month	(February) 2,999,595,000 Gallons	(February) 424,469,000 Gallons	(December) 31,315,000 Gallons
Average Day/Minimum Month	107,128,393 Gallons	15,160,000 Gallons	1,568,000 Gallons



Microbiological Data

	Total Coliform Bacteria			Giardia Cysts per 100 Liters	Cryptosporidium Oocysts per 100 Liters
Finished Water	% Positive Samples	Maximum Monthly Percentage	Minimum Monthly Percentage		
Miller Finished Water	0%	0%	0%	none detected	none detected
Bolton Finished Water	0%	0%	0%	-	-
GCWW Distribution System	<MCL*	<MCL*	<MCL*	-	-
Mason Distribution System	<MCL*	<MCL*	<MCL*	-	-
Miller Raw Water - Detections	Coliform Bacteria per 100 Milliliters				
	100%			12.5%	0%
	3,584			96	none detected
	17,148			78	none detected
	33,759			157	none detected
	59			none detected	none detected
	2			none detected	none detected
Bolton Raw Water - Detections					
	0%			-	-
	-			-	-
	-			-	-
	-			-	-
	-			-	-
	-			-	-
	-			-	-
A total of 3,605 samples were analyzed			A total of 48 samples were analyzed	A total of 35 samples were analyzed	

*OEPA MCL for total coliforms requires that no more than 5.0 percent of the total number of samples during a month are total coliform-positive.

Maximum Contaminant Level or MCL: The highest level of a contaminant that is allowed in drinking water.

The Quality of Your Water

Regulated Contaminants:

Substances subject to a Maximum Contaminant Level (MCL), Action Level (AL) or Treatment Technique (TT)*. These standards protect drinking water by limiting the amount of certain substances that can adversely affect public health and are known or anticipated to occur in public water systems.

Substance (Unit)	Maximum Allowed (MCL*)	MCLG*	Miller Water (from the Ohio River)		Highest Compliance Level Detected
			Highest Compliance Level Detected	Range of Detections	
Fluoride (ppm)	4	4	1.10	0.82 - 1.10	1.10
Nitrate (ppm)	10	10	1.64	0.82 - 1.64	2.75
Total Trihalomethanes (ppb)	80	na	27.2	16.2 - 46.8	37.2
Haloacetic Acids (ppb)	60	na	10.0	5.76 - 13.1	11.2 ^d
Gross Beta (pCi/L)	50	0	nd	nd	4.8 ^f
Turbidity (NTU)	TT1 < 1 NTU Max <i>and</i> TT2 < 0.3 NTU 95% of the time	na na	0.11 100% < 0.3 NTU	0.05 - 0.11	na
Lead ^c (ppb)	AL = 15	0	90th percentile 9.5	nd-36.8 (4 out of 104 samples tested were > the AL)	90th percentile 9.5
Copper ^c (ppm)	AL = 1.3	1.3	90th percentile 0.0250	nd-0.0601 (0 out of 104 samples tested were > the AL)	90th percentile 0.0250
Total Organic Carbon	TT ^b	na	2.50	1.59 - 3.50	na
Total Chlorine ^c (ppm)	MRDL = 4	MRDLG = 4	0.95	0.82 - 1.04	0.95
Total Coliform Bacteria ^c (% Positive)	5%	0	0.7% ^e	0 - 0.7%	0.7% ^e
Barium (ppm)	2	2	nd	nd	nd

Unregulated Contaminants:

Substances for which EPA requires monitoring to determine where certain substances occur and whether it needs to regulate those substances.

Substance (Unit)	MCLG*	Miller Water		Bolton Water		Mason Water	
		Average Level Detected	Range of Detections	Average Level Detected	Range of Detections	Average Level Detected	Range of Detections
Chloroform (ppb)	na	2.1	na	1.3	na	2.3 ^f	1.5 - 3.2 ^f
Bromodichloromethane (ppb)	0	2.7	na	3.4	na	3.9 ^f	2.5 - 6.8 ^f
Dibromochloromethane (ppb)	60	3.4	na	7.7	na	3.3 ^f	nd - 8.0 ^f
Bromoform (ppb)	0	0.9	na	7.9	na	1.5 ^f	1.0 - 3.1 ^f
1,1 - Dichloropropanone (ppb)	nr	nd ^a	nd - 1.98 ^a	nd ^a	nd - 2.04 ^a	na	na
1,1,1 - Trichloropropanone (ppb)	nr	nd ^a	nd - 1.70 ^a	nd ^a	nd - 1.69 ^a	na	na
Trichloroacetoneitrile (ppb)	nr	nd ^a	nd - 1.28 ^a	nd ^a	nd - 1.25 ^a	na	na
Dichloroacetoneitrile (ppb)	nr	0.62 ^a	nd - 2.09 ^a	1.62 ^a	nd - 2.12 ^a	na	na
Bromochloroacetoneitrile (ppb)	nr	0.71 ^a	nd - 2.40 ^a	1.35 ^a	0.51 - 2.55 ^a	na	na
Dibromoacetoneitrile (ppb)	nr	1.41 ^a	nd - 3.70 ^a	3.84 ^a	1.80 - 4.83 ^a	na	na
Chloral Hydrate (ppb)	nr	0.58 ^a	nd - 1.97 ^a	nd ^a	nd - 0.69 ^a	na	na
Total Organic Halide (ppb)	nr	nd ^a	nd ^a	nd ^a	nd - 73.1 ^a	na	na
Free Chlorine Residual (ppm)	nr	0.89 ^a	0.60 - 1.27 ^a	0.92 ^a	0.55 - 1.20 ^a	na	na
Sulfate (ppm)	nr	68	62-78	54	50-58	139 ^g	129-148 ^g

Abbreviations

ppb: parts per billion or micrograms per liter.
ppm: parts per million or milligrams per liter.

NTU: Nephelometric Turbidity Unit, used to measure clarity in drinking water.

pCi/L: picoCuries per liter, a measure of radioactivity in water.

Foot Notes ^aSample analysis was not required in 2003. Results are from 1998. ^bThe value reported under "Highest Compliance Level Detected" for Total Organic Carbon (TOC) is the lowest ratio between percentage of TOC actually removed to the percentage of TOC required to be removed. A value of greater than one (1) indicates that the water system is in compliance with TOC removal requirements. A value of less than one (1) indicates a violation of the TOC removal requirements.

The tables (below) show the substances reported in the GCWW 2003 Safe Drinking Water Report which was prepared to meet the EPA's National Primary Drinking Water Regulation for Consumer Confidence Reports. All of the regulated substances were well within the limits the EPA has set to ensure the safety of tap water. For more information on the potential health effects of various substances, call the EPA's Safe Drinking Water Hotline at 1(800) 426-4791.

Consumers may request printed copies of the Safe Drinking Water Report or view the entire GCWW 2003 Safe Drinking Water Report at www.cincinnati-oh.gov/gcww.

Bolton Water (from the Great Miami Aquifer)		Mason Water - North Service Area (from the Shaker Creek Aquifer)		Typical Source of Contamination (for more details, visit www.epa.gov/safewater/hfacts.html)
Range of Detections	Highest Compliance Level Detected	Range of Detections		
0.80 - 1.10	1.25	0.21 - 1.25		Additive which promotes strong teeth. May come from erosion of natural deposits.
1.70 - 2.75	0.23	na		Runoff from fertilizer use, leaching from septic tanks, sewage, erosion of natural deposits.
24.7 - 44.7	11.2	8.36 - 12.6		Byproduct of drinking water disinfection, measured in the distribution system.
7.76 - 14.6 ^d	5.20 ^d	3.32 - 8.70 ^d		Byproduct of drinking water disinfection, measured in the distribution system.
na	na	na		Decay of natural and man-made deposits. (EPA considers 50 pCi/L to be the level of concern.)
na	na	na		Soil runoff
nd-36.8 (4 out of 104 samples tested were > the AL)	90th percentile nd ^f	nd - 7 ^f (0 out of 30 samples tested were > the AL)		May come from erosion of natural deposits. There is no detectable lead in our water as it leaves the treatment plants. However, corrosion of household plumbing is a source of lead and copper contamination. GCWW tests water samples collected at customer taps, as required by the Safe Drinking Water Act to ensure safe water.
nd-0.0601 (0 out of 104 samples tested were > the AL)	90th percentile 0.23 ^f	nd - 0.410 ^f (0 out of 30 samples tested were > the AL)		
na	na	na		Naturally present in the environment.
0.82 - 1.04	na	na		Water additive used to control microbes.
0 - 0.7%	nd	nd		Naturally present in the environment.
nd	0.18 ^f	nd - 0.18 ^f		Discharge from drilling waste & metal refineries. Erosion of natural deposits.

*Definitions

Maximum Contaminant Level Goal or MCLG: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Maximum Contaminant Level or MCL: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Action Level or AL: The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements which a water system must follow.

Treatment Technique or TT: A required process intended to reduce the level of a contaminant in drinking water.

Maximum Residual Disinfection Level or MRDL: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfection Level Goal or MRDLG: The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Radon: Radon is a radioactive gas that occurs naturally in some ground water. It may pose a health risk when the gas is released from water into air, as occurs during showering, bathing, or washing dishes and clothes. Radon gas released from drinking water is a relatively small part of the total radon in air. Major sources of radon gas are soil and cigarettes. Inhalation of radon gas has been linked to lung cancer, however, the effects of radon ingested in drinking water are not yet clear. If you are concerned about radon in your home, tests are available to determine the total exposure level. GCWW monitored for radon in Bolton finished water during 2001. One sample was collected and the radon level was 200 pCi/L. This was less than the USEPA proposed MCL of 300 pCi/L for radon. For additional information on how to have your home tested, call 1-800-SOS-RADON.

Turbidity: Utilities who treat surface water are required to report on turbidity as an indication of the effectiveness of the filtration system. Turbidity is a measure of the cloudiness of water. The turbidity limit set by the EPA is 0.3 NTU in 95% of the daily samples and shall not exceed 1 NTU at any time. As reported in the table above, GCWW's highest recorded turbidity result for 2003 was 0.11 NTU (Miller Water) and lowest monthly percentage of samples meeting the turbidity limits was 100%. GCWW was better than all safety requirements for turbidity levels in 2003.

Typical Source of Contamination
Substances in this portion of the table are byproducts of drinking water disinfection. Disinfection of drinking water is a major public health advance of the 20th century. One hundred years ago, typhoid and cholera epidemics were common in American cities.
Disinfection was a major factor in reducing these epidemics. GCWW uses chlorine as a disinfectant to kill harmful microorganisms such as bacteria and viruses.
Disinfectants can react with naturally occurring materials in water to form substances which may pose health risks.
These substances are called "disinfection byproducts (DBPs)". The disinfection byproducts found in Cincinnati water for which EPA requires monitoring are listed here.
Disinfectant
Erosion of natural deposits

nd: not detectable at testing limits
nr: not regulated **na:** not applicable.

^cMiller and Bolton were considered as one system for regulatory purposes by Ohio EPA during 2003. Data listed for each system represents the combined system. ^dMonitoring not required for ground water. Data provided as additional information. ^eIn 2003 only 3 of 3,405 distribution samples were positive for coliform bacteria. The repeat samples were negative. ^fSample analysis not required in 2003. Results shown are from 2001. ^gSample analysis not required in 2003. Results shown are from 2002.



Raw & Finished Water

Comparisons of Selected Parameters

Raw Water

	Miller Plant		Bolton Plant		Mason Plant	
	Average	Range	Average	Range	Average	Range
Turbidity (NTU)	73	6-461	0.04	0.02-0.08	0.92	0.05-11
Total Alkalinity (as CaCO ₃)	58	39-73	225	126-240	326	294-360
Total Hardness (as CaCO ₃)	112	80-134	306	204-338	528	484-570
Calcium (as Ca)	33	28-45	82	44-92	141	124-153
Magnesium (as Mg)	8	5-11	29	21-55	46	34-62
pH (Units)	7.7	7.3-8.2	7.5	7.3-7.7	7.3	6.6-7.9
Chloride	25	14-37	70	44-89	-	-
Fluoride	0.14	0.09-0.22	0.31	0.27-0.36	0.19	0.15-0.25
Sulfate	66	58-77	59	58-60	-	-
Nitrate (as NO ₃ -N)	0.99	0.56-1.67	2.19	1.39-3.11	<0.05	<0.05-<0.05
Iron (as total Fe)	0.319	0.319-0.319	<0.05	<0.05-<0.05	2.9	2.3-3.6
Arsenic	-	-	-	-	0.008	0.0056-0.0107
Manganese (as total Mn)	0.054	0.054-0.054	0.147	0.147-0.147	0.13	0.10-0.29
Sodium	18	10-27	37	37-37	-	-
Total Solids	75	4-462	403	403-403	-	-
Total Dissolved Solids	194	160-216	403	403-403	721	586-1230
Total Organic Carbon	2.80	1.90-4.20	0.89	0.71-1.00	0.62	0.58-0.66
Phosphate (as PO ₄ -P)	-	-	-	-	-	-
Chlorine Residual, Free	-	-	-	-	-	-
Chlorine Residual, Total	-	-	-	-	-	-

In mg/l Except Where Noted

Finished Water

	Miller Plant		Bolton Plant		Mason Plant	
	Average	Range	Average	Range	Average	Range
Turbidity (NTU)	0.07	0.05-0.11	0.03	0.02-0.05	0.12	0.01-1.10
Total Alkalinity (as CaCO ₃)	64	42-80	79	67-125	329	302-348
Total Hardness (as CaCO ₃)	116	85-150	160	142-196	507	484-520
Calcium (as Ca)	34	28-42	28	23-34	146	140-152
Magnesium (as Mg)	8	4-11	25	21-29	42	39-47
pH (Units)	8.7	8.4-9.0	9.2	8.2-9.6	7.6	7.1-7.9
Chloride	24	18-32	66	48-80	-	-
Fluoride	0.96	0.82-1.10	0.98	0.80-1.10	0.99	0.21-1.25
Sulfate	69	62-78	54	53-55	-	-
Nitrate (as NO ₃ -N)	1.07	0.82-1.64	2.27	1.70-2.75	0.23	0.23-0.23
Iron (as total Fe)	<0.05	<0.05-<0.05	<0.05	<0.05-<0.05	<0.05	<0.05-0.238
Manganese (as total Mn)	<0.01	<0.01-<0.01	<0.01	<0.01-<0.01	0.013	0.005-0.049
Sodium	22	15-28	37	37-37	-	-
Total Solids	207	112-372	305	305-305	-	-
Total Dissolved Solids	207	112-372	305	305-305	718	405-1272
Total Organic Carbon	0.7	0.3-1.1	0.77	0.68-85	0.62	0.59-0.64
Phosphate (as PO ₄ -P)	0.15	0.11-0.18	0.13	0.11-0.15	-	-
Chlorine Residual, Free	0.98	0.78-1.20	0.99	0.75-1.19	0.89	0.49-1.41
Chlorine Residual, Total	1.03	0.82-1.29	1.07	0.83-1.29	1.05	0.61-1.63

In mg/l Except Where Noted

THE FOLLOWING WERE NOT DETECTED IN OUR FINISHED WATER:¹

Inorganics: Antimony, Arsenic, Asbestos, Barium, Beryllium, Cadmium, Chromium, Cyanide, Mercury, Nickel, Nitrite, Selenium, Thallium, Aluminum, Silver, Zinc

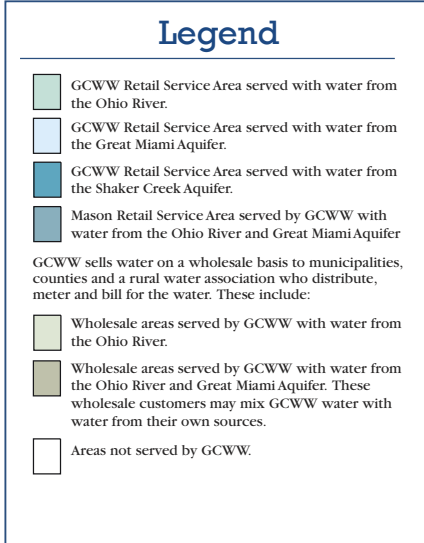
Pesticides and Other Synthetic Organic Compounds: Alachlor, Atrazine, Benzo[a]pyrene, Carbofuran, Chlordane(total), Dalapon, Dibromochloropropane, Di(2-ethylhexyl) adipate, Di(2-ethylhexyl) phthalate, 2,4-D, Dinoseb, Diquat, Endothall, Endrin, Ethylene dibromide, Glyphosate, Heptachlor, Heptachlor epoxide, Hexachlorobenzene, Hexachlorocyclopentadiene, Lindane, Methoxychlor, Oxamyl (Vydate), Pentachlorophenol, Picloram, PCB's (total), Simazine, 2,3,7,8-TCDD (Dioxin), Toxaphene, 2,4,5-TP (Silvex), Aldicarb, Aldrin, Butachlor, Bromacil, Carbaryl, Dicamba, Dieldrin, 3-Hydroxycarbofuran, Methomyl, Metolachlor, Metribuzin, Propachlor

Volatile Organic Chemicals: Trichloroethene, Benzene, Carbon tetrachloride, 1,2-Dichloroethane, Vinyl Chloride, 1,1-Dichloroethene, 1,1,1-Trichloroethane, 1,4-Dichlorobenzene, cis-1,2-Dichloroethene, Tetrachloroethene, 1,2-Dichlorobenzene, trans-1,2-Dichloroethene, Chlorobenzene, Styrene, Toluene, Xylenes (total), 1,2-Dichloropropane, 1,1,2-Trichloroethane, Dichloromethane, Ethylbenzene, 1,2,4-Trichlorobenzene, 2,2-Dichloropropane, Dichlorodifluoromethane, Dibromomethane, 1,3-Dichloropropane, Chloromethane, Bromomethane, Bromochloromethane, 1,2,3-Trichloropropane, 1,1,1,2-Tetrachloroethane, 1,1,2,2-Tetrachloroethane, 1,1-Dichloropropene, Chloroethane, 1,3-Dichloropropene, Hexachlorobutadiene, Naphthalene, tert-Butylbenzene, 4-Isopropyltoluene, Trichlorofluoromethane, sec-Butylbenzene, 1,1-Dichloroethane, Bromobenzene, Isopropylbenzene, n-Propylbenzene, 2-Chlorotoluene, 4-Chlorotoluene, 1,3-Dichlorobenzene, 1,2,3-Trichlorobenzene, 1,2,4-Trimethylbenzene, n-Butylbenzene, 1,3,5-Trimethylbenzene

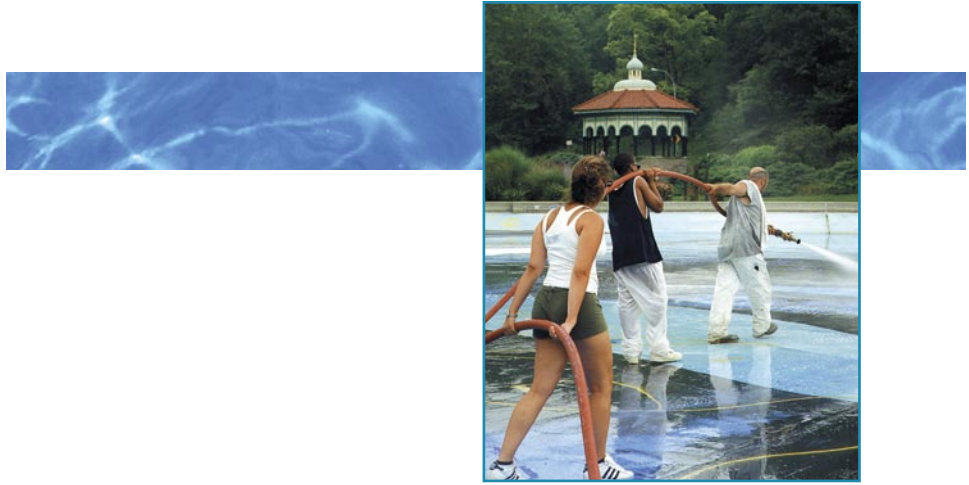
Radiological: Combined Radium (pCi/L), Alpha-Gross (pCi/L), Strontium-90 (pCi/L)

¹Some analyses not required or performed in 2003, most recent results shown.

Service Area



Some communities may get water from both the Ohio River and Great Miami Aquifer. The border on the map is the dividing line under most typical operating conditions, although water from either plant may go miles beyond this border.

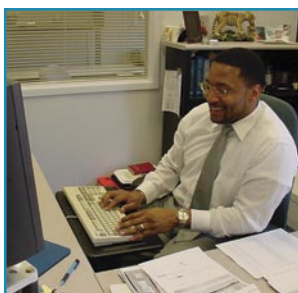


“The stable outlook [of GCWW by S&P Research] reflects the expectation that Cincinnati will continue to manage system growth in tandem with its financial capacity and maintain stable operations and strong liquidity.”

Standard & Poor's, RATINGS DIRECT
February 13, 2003

Financial Profile

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“The city has a century-long history of water-safety research, including more than 25 years of EPA work at the Corryville center.”

Cincinnati Enquirer, February 25, 2003

Financial Profile

Greater Cincinnati Water Works Statement of Net Assets December 31, (000's omitted)

Assets:

	2003	2002
Current Assets		
Cash and Equivalents	\$ 543	\$ 299
Equity in City Treasury Cash	17,966	22,816
Receivables		
Accounts, Net	13,611	13,936
Accrued Interest	370	670
Due from Other Funds	972	855
Due from Other Governments	10,067	9,982
Prepaid Items	611	29
Inventory	3,461	3,942
Advances to Other Funds	295	337
Restricted Assets		
Cash and Equivalents	18,246	8,554
Equity in City Treasury Cash	4,961	4,630
Investments at Fair Value	49,984	0
Noncurrent Assets		
Equity in City Treasury Cash	20,989	24,159
Restricted Equity in		
City Treasury Cash	5,796	4,903
Accounts Receivable	116	0
Land	2,610	2,610
Buildings	167,670	146,630
(Accumulated Depreciation)	(51,597)	(48,325)
Improvements	366,099	310,817
(Accumulated Depreciation)	(50,215)	(47,125)
Machinery and Equipment	162,170	152,967
(Accumulated Depreciation)	(82,019)	(74,038)
Leased Assets	0	190
(Accumulated Amortization)	(0)	(186)
Construction in Progress	97,276	103,849
Total Assets	\$759,982	\$642,501

Liabilities:

	2003	2002
Current Liabilities		
Accounts Payable	\$ 2,116	\$ 2,319
Due to Other Funds	375	395
Due to Other Governmental Agencies	1,529	2,138
Accrued Payroll	1,078	1,101
Accrued Interest	204	303
Obligation Under Capital Lease	0	4
Deferred Revenue	5,952	2,341
Compensated Absences Payable	2,479	2,437
Unpaid Claims Payable	74	120
General Obligation Bonds Payable	11,830	14,470
Revenue Bonds Payable	7,010	2,935
Payable from Restricted Assets		
Construction Contracts	7,321	6,079
Deposits Payable	770	1,022
Noncurrent Liabilities		
Compensated Absences Payable	2,978	3,030
Arbitrage Liability	1,210	1,210
Revenue Bonds Payable	192,300	86,950
General Obligations Payable	41,510	53,340
Total Liabilities	278,736	180,194

Net Assets:

Invested In Capital Assets,		
Net of Related Debt	425,796	397,249
Reserved for Restricted Assets	4,444	3,427
Unrestricted	51,006	61,631
Total Net Assets	\$ 481,246	\$ 462,307

**Greater Cincinnati Water Works
Statement of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended December 31,
(000's omitted)**

	2003	2002
Operating Revenues:		
Metered Water Revenue	\$ 79,528	\$ 80,917
Service Charges	1,246	1,025
Nonmetered Water Revenue	217	225
Servicing Customers Installations	13	3
Miscellaneous Revenue	4,018	1,932
Operating Interest Revenue	248	400
Rental Income	111	107
Departments of Sewers and Stormwater Management for Billing and Collection Services	4,749	4,392
Mason Fees	1,402	1,106
Purchasing Agent Sales Revenue	24	17
	<hr/>	<hr/>
Total Operating Revenues	91,556	90,124
Operating Expenses:		
Personal Services	31,741	31,292
Contractual Services	8,692	8,082
Maintenance and Repair	3,006	2,575
Materials and Supplies	6,256	5,992
Utilities	8,007	7,918
Insurance	264	230
Taxes	1	0
Rent	656	394
Other Expense	482	470
Depreciation and Amortization	15,597	15,630
Amortization Mason Agreement	60	48
	<hr/>	<hr/>
Total Operating Expenses	74,762	72,631
	<hr/>	<hr/>
Operating Income	16,794	17,493
Non-Operating Revenues (Expenses):		
Loss on Disposal of Fixed Assets	(323)	(24)
Interest Revenue	2,041	2,910
Interest Expense	(8,234)	(4,749)
	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	(6,516)	(1,863)
	<hr/>	<hr/>
Income Before Contributions and Transfers	10,278	15,630
	<hr/>	<hr/>
Capital Contributions	8,661	10,537
	<hr/>	<hr/>
Change In Net Assets	18,939	26,167
Net Assets at January 1,	462,307	436,140
	<hr/>	<hr/>
Net Assets at December 31,	\$481,246	\$462,307
	<hr/>	<hr/>

The accompanying notes are an integral part of this financial statement.

Greater Cincinnati Water Works
Statement of Cash Flows
For the Year Ended December 31, (000's omitted)

	2003	2002
Cash Flow from Operating Activities:		
Receipts from Customers	\$ 91,507	\$ 89,441
Payments to Suppliers	(28,597)	(22,596)
Payments to Employees	(31,775)	(30,773)
Payments for Property Taxes	(1)	0
Net Cash Provided (Used) by Operating Activities	31,134	36,072
Cash Flow from Non Capital Financing Activities:		
Repayments of Advances Made to Other Funds	42	38
Net Cash Used by Non Capital Financing Activities	42	38
Cash Flow from Capital and Related Financing Activities:		
Capital Contributed by Other Sources	1,142	(2,341)
Proceeds from the Sale of Fixed Assets	60	79
Additions to Construction in Progress	(69,442)	(68,355)
Acquisition of Property, Plant and Equipment	(2,382)	(890)
Interest Paid on Bonds	(4,722)	(4,957)
Proceeds from Sale of Bonds	112,360	0
Principal Paid on Bonds	(17,405)	(17,170)
Principal Paid on Long Term Capital Leases	(4)	(4)
Net Cash Used by Capital and Related Financing Activities	19,607	(93,638)
Cash Flow from Investing Activities:		
Interest and Dividends on Investments	2,341	4,988
Investments Purchased	(49,984)	0
Net Cash Provided by Investing Activities	(47,643)	4,988
Net Increase (Decrease) in Cash and Cash Equivalents	3,140	(52,540)
Cash and Cash Equivalents at Beginning of Year	65,361	117,901
Cash and Cash Equivalents at End of Year	\$ 68,501	\$ 65,361
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	\$ 16,794	\$ 17,493
Depreciation and Amortization	15,657	15,678
Changes in Assets and Liabilities:		
(Increase) Decrease in:		
Receivables	209	(1,292)
Due from Other Funds	(117)	188
Due from Other Governments	(145)	421
Prepaid Assets	(582)	(4)
Inventory	481	825
Increase (Decrease) in:		
Accounts Payable	(203)	1,046
Accrued Payroll	(23)	(61)
Deposits Payable	(252)	486
Due to Other Funds	(20)	37
Current Obligation Capital Lease	0	(47)
Due to Other Governments	(609)	670
Liability for Compensated Absences	(10)	580
Estimated Liability for Unpaid Claims	(46)	52
Net Cash Provided (used) by Operating Activities	\$ 31,134	\$ 36,072
Schedule of Noncash Investing, Capital and Financing Activities		
Acquisition of Property, Plant and Equipment from Capital Contributions	\$ 7,519	\$ 12,878
Total Noncash Investing, Capital and Financing Activities	\$ 7,519	\$ 12,878

Notes to Financial Statements - December 31, 2003

Summary of Significant Accounting Policies

The Greater Cincinnati Water Works is a municipally owned and operated utility. The financial statements of the Greater Cincinnati Water Works are included in the Comprehensive Annual Financial Report of the City of Cincinnati. An annual audit of the financial statements of the City of Cincinnati is performed by or at the direction of the Auditor of State.

Deposits and Investments with Financial Institutions - Cash balances of the Greater Cincinnati Water Works are included in a pool of City Treasury Cash. The City Treasurer determines the amounts to be kept on hand to meet current obligations and amounts and timing of investments. All deposits and investments by the City are insured by the Federal Deposit Insurance Corporation or some other instrumentality of the Federal government, or are covered by securities held by the City or its agent in the City's name.

Accrued Interest Receivable - Interest receivable on Greater Cincinnati Water Works funds has been accrued and recognized as revenue for 2003 and 2002; the amounts are \$370,000 and \$670,000 respectively.

Inventories of Materials and Supplies - Inventories are valued at cost which are determined on the moving average basis.

Restricted Assets and Related Liabilities and Reserves - Assets, the uses of which are restricted by City Council ordinance for improvements, extensions and construction of the system, are segregated on the balance sheet.

Fixed Assets and Depreciation - Fixed Assets are stated at cost and are depreciated by the straight-line method over estimated useful lives up to 100 years. Typical lives are as follows:

Buildings	67 Years
Transmission and Distribution Mains	100 Years
Machinery and Equipment	3 to 30 Years

Capitalization of Interest - Interest is capitalized by the Greater Cincinnati Water Works when it is determined to be material. The Water Works capitalizes interest in accordance with Statement of Financial Accounting Standard No. 62, Capitalization of Interest Costs in Situations Involving Certain Tax Exempt Borrowing and Certain Gifts and Grants. The statement requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use. The capitalized interest for December 31, 2003 was \$2,803,000 and for the year ending December 31, 2002 was \$4,091,000.

Leased Assets - One contract which provides for the lease purchase of copying machines was entered into during 1999. The term of this contract expired in 2003.

Compensated Absences - NCGA Statement 4 requires state and local governments to recognize the liabilities associated with employees' compensated absences. Therefore, the following obligations have been included in the Greater Cincinnati Water Works Comparative Statement of Long-Term Liabilities:

Vacation - Vacation benefits are considered to be vested benefits of the employees. The obligation at December 31, 2003 for vacation benefits of Greater Cincinnati Water Works employees is approximately \$2,701,000.

Sick Leave - Sick leave benefits are included in the estimated liability for the employees, based upon the portion of accumulated sick leave liability that is estimated to eventually be paid as a retirement or death benefit. At December 31, 2003 this liability is approximately \$2,685,000 for Greater Cincinnati Water Works employees.

Compensatory Time - Employees are permitted to accumulate Compensatory Time for work in excess of their normal forty-hour week. The amount of the obligation at December 31, 2003 is \$71,000.

The following is a Summary of the Changes in the Estimated Liability for Compensated Absences of the Greater Cincinnati Water Works for the year ended December 31, 2003 (000's omitted):

	Accrued Vacation	Accrued Sick Pay	Compensatory Time	Total
Estimated Liability for Compensated Absences January 1, 2003	\$2,547	\$2,846	\$73	\$5,466
Earned During 2003	1,755	537	49	2,341
Used/Forfeited During 2003	(1,601)	(698)	(51)	(2,350)
Estimated Liability for Compensated Absences December 31, 2003	\$2,701	\$2,685	\$71	\$5,457

Pension Plans - Full time employees of the Greater Cincinnati Water Works participate in one of two pension plans - either the Retirement System of the City of Cincinnati, administered by the City of Cincinnati, or the Public Employee's Retirement System (PERS), administered by the State of Ohio. The Greater Cincinnati Water Works contributions to the City administered retirement system during 2003 and 2002 were \$1,814,000 and \$1,737,000 respectively. Contributions to PERS during 2003 and 2002 were \$188,000 and \$197,000 respectively. The actuary annually determines employer contributions to the City system for the current and following years. The actuarially computed value of vested and non-vested benefits on the plan's net assets available for plan benefits for each of the respective plans is not determined separately for the Water Works.

Contributed Capital - Contributions consist of facilities, or cash payments for construction of facilities, received from property owners and governmental agencies who receive benefit from such facilities. In accordance with GASB's Codification, Section G60.116, which allows (but does not require) enterprise funds to close out depreciation expense on contributed assets to "contributed capital" rather than to "retained earnings," the Greater Cincinnati Water Works has adjusted its Contributed Capital and Retained Earnings to reflect this option.

Revenue - Unbilled revenues on metered accounts are accrued at year-end. Rates are authorized by City Council based on operating costs and anticipated capital expenditures. A contract between the City and the Hamilton County Board of Commissioners specifies a differential between the rates for City and for Hamilton County consumers, declining from 55% to 25% over the life of the contract ending December 31, 2017. Rates applicable to residents of other counties and some municipalities in Hamilton County are negotiated separately.

Long Term Debt - This consists of General Obligation Bonds which are issued for the purpose of various Greater Cincinnati Water Works improvements. The bonds are self-supporting and serviced by water user charges; however, should the user charges be insufficient to cover debt service, the principal and interest are to be paid from the proceeds of the levy of ad valorem taxes on all property in the City without limitation as to the rate or the amount. The Greater Cincinnati Water Works for the first time issued Revenue Bonds during 2002. The Greater Cincinnati Water Works expects to finance future capital requirements utilizing revenue bonds. The annual requirements to amortize all debt outstanding as of December 31, 2003 is as follows (000's omitted):

Year Ending December 31,		Total	Principal	Interest
Current	2004	\$ 25,769	\$ 18,840	\$ 6,929
Long Term	2005	23,564	17,370	6,194
	2006	21,454	15,900	5,554
	2007	19,265	14,270	4,995
	2008	17,116	12,555	4,561
	2009-2023	244,105	173,715	70,390
Total Long Term		\$325,504	\$233,810	\$91,694
		<u>\$351,273</u>	<u>\$252,650</u>	<u>\$98,623</u>

As of December 31, 2003 and 2002 Long Term Debt consisted of the following (000's omitted):

General Obligation Bonds	Original Principal Issue	Interest Rate (Percent)	Maturity Date	2003 Principal Outstanding	2002 Principal Outstanding
G-1105	\$ 2,500	5.375	2003	\$ 0	\$ 100
G-1137	8,000	7.0	2003	0	540
G-1138	20,000	7.0	2003	0	1,400
G-1140	15,000	6.75	2004	1,000	2,000
G-1146	12,000	6.7	2005	1,600	2,400
G-1147	10,000	6.75	2005	2,100	2,800
G-1162	5,000	5.375	2007	1,400	1,750
G-1170	6,000	4.5	2003	0	600
G-1176	8,000	4.6	2004	800	1,600
G-1185	9,000	5.15	2005	1,800	2,700
G-1192	11,800	4.1	2006	3,540	4,720
G-1197	15,600	4.75	2007	6,300	7,800
G-1203	25,600	4.375	2008	13,000	15,600
G-1210	29,800	4.2	2014	21,800	23,800
S-2001	92,685	4.912	2021	86,950	89,885
S-2003	112,360	4.377	2023	112,360	0
	<u>\$383,345</u>			<u>\$252,650</u>	<u>\$157,695</u>
			Less Current Maturity	<u>(18,840)</u>	<u>(17,405)</u>
			Long Term Debt	<u><u>\$233,810</u></u>	<u><u>\$140,290</u></u>

Other City Agency Transactions

Metropolitan Sewer District and Storm Water Management - The Greater Cincinnati Water Works provides billing and collection services of customers' accounts for the Metropolitan Sewer District and the Storm Water Management Utility. The charges for these services are recognized as revenue and included in the Statement of Revenue, Expense and Changes in Retained Earnings. During 2003 and 2002 the fees for these services were, \$4,749,000 and \$4,392,000 respectively.

Free Water - The Greater Cincinnati Water Works provides free water service to the City of Cincinnati for municipal purposes. During 2003 and 2002 the values of these services were \$878,000 and \$942,000 respectively.

Other City Agency Transactions - The City provides various services to the Greater Cincinnati Water Works for which a fee is charged. These services include personnel, purchasing, legal service, etc. During 2003 and 2002 these fees were \$2,007,000 and \$2,159,000 respectively. Also, the City's Municipal Garage provides gasoline and maintenance service for Water Works vehicles. During 2003 and 2002 these fees were \$827,000 and \$687,000 respectively. In addition, the City's Regional Computer Center provides a variety of services for the Greater Cincinnati Water Works. The primary service provided to the Greater Cincinnati Water Works by the Regional Computer Center is billing and collection system support. During 2003 and 2002 the fees for these services were \$1,431,000 and \$1,343,000 respectively.

Other Issues

During 1993, the Greater Cincinnati Water Works entered into an agreement with the Hamilton County Board of Commissioners to extend water service to previously unserved, unincorporated areas of western Hamilton County. This agreement specifies that a portion of those water collections received from current customers in unincorporated areas of Hamilton County be segregated for the purpose of financing construction of the utility necessary to serve the additional customers. This amount is reflected as Due to Other Governments in the financial statements.

Activity Fund	January 1, 2003	Additions	Deductions	December 31, 2003
Assets:				
Equity in City Treasury Cash	<u>\$837</u>	<u>\$1,900</u>	<u>\$1,765</u>	<u>\$972</u>
Liabilities:				
Accounts Payable	\$ 0	\$1,765	\$1,765	\$ 0
Fund Balance	<u>837</u>	<u>1,900</u>	<u>1,765</u>	<u>972</u>
Total Liabilities	<u>\$837</u>	<u>\$3,665</u>	<u>\$3,530</u>	<u>\$972</u>



The Greater Cincinnati Water Works Historical Marker being unveiled at Sawyer Point in October 2003. The marker is at Sawyer Point Riverfront Park at the remains of one of GCWW's first pumping stations.

Greater Cincinnati Water Works

A service of the City of Cincinnati

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